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DEPT FOR NEA/ARP/I BAGWELL AND MASILKO

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SUBJECT: MBR FOUNDATION ANNOUNCES THE ARAB CENTRE FOR PHILANTHROPY

REF: A) 07 DUBAI 601 B) 07 DUBAI 614

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CLASSIFIED BY: David J. Williams,, Acting Consul General, EXEC,  
DOS.

REASON: 1.4 (b), (d)

**¶11.** (U) Summary: During a January 30 meeting, Nabil Alyousuf, Director General of the Dubai Executive Office and President of the recently established Mohammed bin Rashid Foundation (MbRF), elaborated on the proposed Arab Centre for Philanthropy, announced during the 20-21 January "From Charity to Change: Trends in Arab Philanthropy" conference conducted in Dubai under the auspices of the MbRF. The conference stressed the importance of institutionalizing and coordinating philanthropic endeavors in the region in order to create a "united force" in pan-Arab philanthropy. During the conference, Sheikh Mohammed bin Rashid Al Maktoum Vice-President and Prime Minister of the UAE and Ruler of Dubai, also announced the launch of the Arab Centre for Philanthropy. The proposed Centre is being positioned to play a major role in coordinating activities. End summary.

**¶12.** (U) The "From Charity to Change: Trends in Arab Philanthropy" conference was based on a recent research study, funded by Boeing and conducted by the American University of Cairo. The study noted that philanthropy in the Arab world is increasingly strategic and focused, with a "rise in citizen activism among successful and affluent business leaders who are bringing innovation to...philanthropic activity." The study cited the recent Ramadan 2007 Dubai Cares initiative (which raised over the span of twelve weeks more than \$200 million targeted towards education/food relief for underprivileged children) and the Dubai Harvard Foundation for Medical Research (an endowment funding basic research) as examples of strategic giving, concluding that: "If the accumulation of wealth and private equity has dominated the mindset of Emiratis for the past several decades, how to use that wealth for public benefit now seems to be high on their list of priorities as they determine the regional role they wish to play over the decades to come." However, the study also pointed out restraints on the development of philanthropy, most notably, stringent laws restricting civil society activities in many Arab countries as well as a lack of coordination and cooperation among charitable organizations.

**¶13.** (U) Building on the conference theme, Sheikh Mohammad bin Rashid Al Maktoum, Vice-President and Prime Minister of the UAE and Ruler of Dubai, used it as a venue to announce the launch of the Arab Centre for Philanthropy. According to Alyousuf, the MbRF will play a critical role in developing the concept and

framework for the new Centre. He summarized the Centre's five key objectives as: 1) coordinating philanthropic activities in the region, 2) promoting philanthropy among wealthy Arabs, 3) promoting social entrepreneurship and volunteerism, 4) institutionalizing philanthropy, and 5) sponsoring scientific research in the region. Alyousuf envisions the Centre as a consultative organization, serving as a source of information on best practices for both donor and recipient groups. He noted that recipient organizations need to enhance transparency of operations, increase strategic planning and management practices and focus on results-driven objectives. He also observed that donors require education and encouragement to move towards long-term development objectives in targeting their donations, with an emphasis on creating and maintaining endowments, rather than on the historical approach of simply handing money over to address short-term needs.

**¶14.** (U) Funding and initiating additional research studies on philanthropic infrastructure and the legal environment are also Centre goals. Alyousuf noted that research that could be useful to organizations advocating legislative reform which would hopefully encourage more transparent charities and NGOs in many Arab countries. However, he was careful to add that the Centre itself would not seek to change legal restrictions, but simply act as an advisor and support mechanism for individual organizations seeking change in their home nations. Alyousuf also noted that Dubai is currently studying a proposal for the establishment of a philanthropic "free zone" (nfi).

**¶15.** (U) On a programming level, the Centre plans to issue a guide/directory of existing Arab philanthropic programs, organize workshops to develop strategic planning skills for philanthropic organization staff members, and provide scholarships to social leaders to pursue further education in non-profit management programs.

**¶16.** (C) Comment: During his initial announcement of the Dubai Cares initiative and at the recent Charity to Change Conference, MbR has repeatedly stressed the need for the private sector to

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assume more of the burden for social responsibility with very pointed comments, such as "[the private sector] takes a lot but gives back very little" and "The private sector needs to know that its income comes from the people and it has to go back to them." Whatever his true intentions for pressing the private sector, MbR has given clear notice to UAE based businesses that now is the time for them to step up and increase their involvement in philanthropic endeavors. Given the fact that business typically follows the ruler's directives in Dubai, we anticipate an increase in money flows to philanthropic efforts over the next year. Through the creation of both the MbRF and the Arab Centre for Philanthropy, MbR is attempting to provide the necessary tools and expertise to fill large regional gaps in education, health and job creation. Better coordination could, if well managed, improve the effectiveness of the large donations being made in the region. However, the question remains as to whether existing charitable organizations will be able to concurrently develop the internal management skills necessary to handle the increased donations in a transparent manner or whether the private sector, concerned about accountability, will seek to develop their own spin-off foundations (similar to that of Microsoft founder's Gates Foundation). End comment.

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